



January 27, 2004

## HOUSE BILL No. 1244

DIGEST OF HB 1244 (Updated January 21, 2004 3:22 pm - DI 108)

**Citations Affected:** IC 15-4; IC 15-6.

**Synopsis:** Indiana dairy industry development board. Permits the Indiana corn marketing council to spend up to 25% of the council's revenue for administrative expenses. (Current law restricts expenditures for administrative expenses to 10% of council revenue.) Provides that the Indiana dairy industry development board is a separate body corporate and politic. Provides that the definition of "milk" in the board statute is restricted to milk produced by cows. Provides that the board may make certain determinations based on year end milk marketing figures from any source the board considers reliable. Provides that the number of board members to which a producer is entitled is based on funds retained in Indiana. Makes other changes relating to the composition of the board. Provides that board members are entitled to a salary per diem determined by the board and are entitled to receive reimbursement for travel and other expenses as determined by the board. Provides that the salary per diem and travel and other expenses may not exceed limits set for expenses for employees of the executive branch of the federal government while away from home in travel status.

**Effective:** July 1, 2004.

**Mangus, Grubb**

January 15, 2004, read first time and referred to Committee on Agriculture, Natural Resources and Rural Development.

January 26, 2004, amended, reported — Do Pass; referred to Committee on Ways and Means pursuant to Rule 127.

HB 1244—LS 7208/DI 75+



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January 27, 2004

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1244

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 15-4-10-24, AS AMENDED BY P.L.232-2001,  
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2004]: Sec. 24. (a) The council shall pay all expenses incurred  
4 under this chapter with money from the assessments remitted to the  
5 council under this chapter.

6 (b) The council may invest all money it receives under this chapter,  
7 including assessments, gifts, and grants, in any way allowed by law for  
8 public funds.

9 (c) The council may expend money from assessments and from  
10 investment income not needed for expenses for the purpose of market  
11 development.

12 (d) The council may not use money received, collected, or accrued  
13 under this chapter for any purpose other than the implementation of  
14 this chapter.

15 (e) The council may not expend more than ~~ten~~ **twenty-five** percent  
16 (~~10%~~) (**25%**) of the money it receives under this chapter for  
17 administrative expenses.

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SECTION 2. IC 15-6-4-4, AS ADDED BY P.L.105-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. As used in this chapter, "milk" means any class of milk produced by dairy ~~animals~~ **cows** in Indiana.

SECTION 3. IC 15-6-4-9, AS ADDED BY P.L.105-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 9. (a) The Indiana dairy industry development board is established. **The board is a public body corporate and politic, and though it is separate from the state, the exercise by the board of its powers constitutes an essential governmental function.**

(b) The board consists of:

- (1) at least nine (9); and
- (2) not more than twenty-five (25);

voting members appointed under section 12 of this chapter.

(c) Each voting member of the board must:

- (1) be a resident of Indiana;
- (2) be at least twenty-one (21) years of age;
- (3) have been actually engaged in the production of milk in Indiana for at least one (1) year; and
- (4) derive a substantial portion of the member's income from the production of milk in Indiana.

(d) The board may appoint individuals who hold offices of importance to the milk industry or have special expertise concerning the industry to participate in the work of the board as nonvoting members. Not more than five (5) individuals may be appointed under this subsection.

(e) The commissioner may participate in the activities of the board as an ex officio member.

(f) An Indiana dairy farmer selected to serve on the national dairy board shall be a nonvoting, advisory member of the board.

(g) Fewer than fifty percent (50%) of the board members, including nonvoting members, may be members of Milk Promotion Services of Indiana, Inc.

SECTION 4. IC 15-6-4-10, AS ADDED BY P.L.105-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. (a) Before ~~January 31~~, **March 31**, the board shall:

(1) determine:

- (A) the percentage of the state's milk marketings produced by each producer registered with the state board of animal health or the United States Department of Agriculture; and
- (B) the number of representatives, if any, each producer is

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1 entitled to have on the board **based on funds retained in**  
 2 **Indiana;** and

3 (2) inform each producer described in subdivision (1)(A) of the  
 4 determinations made under subdivision (1).

5 (b) The board shall make the determinations required under this  
 6 section based upon:

7 (1) year end milk marketing figures from:

8 (A) the United States Department of Agriculture; **or**

9 (B) **any other source the board considers reliable;** and

10 (2) the formula prescribed under section 12 of this chapter.

11 SECTION 5. IC 15-6-4-12, AS ADDED BY P.L.105-2000,  
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2004]: Sec. 12. (a) The board shall appoint from among the  
 14 nominations made under section 11 of this chapter one (1) board  
 15 member to represent each:

16 (1) producer who represents at least three percent (3%) of the  
 17 state's **participating** milk marketings; and

18 (2) group of producers who:

19 (A) collectively represent at least three percent (3%) of the  
 20 state's **participating** milk marketings; and

21 (B) notify the board that the producers desire to be considered  
 22 collectively for purposes of representation on the board.

23 (b) In addition to the members appointed under subsection (a), the  
 24 board shall appoint one (1) board member to represent a producer or  
 25 group of producers described in subsection (a)(2) for each additional  
 26 ten percent (10%) of the state's **participating** milk marketings  
 27 exceeding three percent (3%) that the producer or group of producers  
 28 represents. **Not more than four (4) board members may represent**  
 29 **any producer or group of producers.**

30 (c) The board shall make the appointments required under this  
 31 section not later than thirty (30) days after the close of the period for  
 32 submission of nominations under section 11 of this chapter.

33 (d) An appointment made by the board under this section may not  
 34 result in a producer or group of producers having two (2) members on  
 35 the board at the same time who represent the same share of the state's  
 36 **participating** milk marketings.

37 (e) If a producer or group of producers entitled to representation on  
 38 the board fails to submit a nomination, the board may appoint any  
 39 individual who meets the requirements of section 9(c) of this chapter  
 40 to represent the producer or group of producers.

41 SECTION 6. IC 15-6-4-14, AS ADDED BY P.L.105-2000,  
 42 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2004]: Sec. 14. (a) As used in this section, "maximum daily amount" refers to the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status.

(b) Each member of the board who is not a state employee is entitled to a business per diem determined by the board.

(c) Each member of the board is also entitled to either:

(1) a per diem to cover travel and other expenses incurred in connection with the member's duties; or

(2) reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties; as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency. However, board members are not entitled to a salary or per diem determined by the board.

(d) The business per diem allowance may not exceed the maximum daily amount allowable in the particular location where the member's duties are being performed. A mileage rate established by the board may not exceed the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual place of residence to the particular location where the member's duties are being performed.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1244, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 15-4-10-24, AS AMENDED BY P.L.232-2001, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 24. (a) The council shall pay all expenses incurred under this chapter with money from the assessments remitted to the council under this chapter.

(b) The council may invest all money it receives under this chapter, including assessments, gifts, and grants, in any way allowed by law for public funds.

(c) The council may expend money from assessments and from investment income not needed for expenses for the purpose of market development.

(d) The council may not use money received, collected, or accrued under this chapter for any purpose other than the implementation of this chapter.

(e) The council may not expend more than ~~ten~~ **twenty-five** percent ~~(10%)~~ **(25%)** of the money it receives under this chapter for administrative expenses."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1244 as introduced.)

BISCHOFF, Chair

Committee Vote: yeas 13, nays 0.

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